

REMARKS

Applicant hereby responds to the Office Action of October 3, 2008, in the above-referenced patent application. Applicant thanks the Examiner for carefully considering the application.

Status of Claims

Claims 1, 3-8, 10-14 and 44-47 are pending in the above-referenced patent application. Applicant notes with appreciation that the Examiner has allowed claims 1, 3-7, 14, 44, 45 and 47.

Claims 8, 10-13 and 46 are rejected under of 35 U.S.C. §101 as being directed to non-statutory subject matter.

Claim Amendments

Claims 8, 12 and 13 are amended for clarification. No new matter is added.

Rejections under 35 U.S.C. §101

Claims 8, 10-13 and 46 are rejected 35 U.S.C. §101 as being directed to non-statutory subject matter. Applicant respectfully disagrees. Applicant has deleted the text from the specification relating to carrier waves and does not intend to seek protection regarding carrier waves.

Applicant's claim 8 requires, in part, an encoder, a converter, a scrambler a transmitter and a receiver, which are all hardware devices. However, Applicant has amended claim 8 to include the following statutory subject matter: "a converter configured to convert the encoded signal into a copy protected signal *using a computer program product comprising a computer usable medium for copy protection including a computer readable program, wherein the computer readable program when executed on a computer causes the computer to: use a copy protection data signal representing copy protection data to prevent using the digital audio-visual signal without access to the copy protection data*" (emphasis added).

Applicant has also amended claim 12 to include the following statutory subject matter: "a processor *including a computer program product comprising a computer usable medium including a computer readable program, wherein the computer readable program when executed on the processor causes the processor to: (1) remove said copy protection data signal from the single signal, and store the copy protection data in a memory device, and (2) recover said scrambled signal from the single signal*" (emphasis added).

Therefore, claims 8, 10-13 and 46 all contain statutory subject matter.

Accordingly, withdrawal of 35 U.S.C. §101 rejection of claims 8, 10-13 and 46 are respectfully requested.

Claims Not Rejected Over Prior Art

Applicant notes that claims 8, 10-13 and 46 are not rejected over prior art.

Applicant respectfully asserts that claims 8, 10-13 and 46, as they now stand, are allowable for the reasons given above.

CONCLUSION

In view of the foregoing, it is submitted that claims 1, 3-8, 10-14 and 44-47 patently define the subject invention over the cited references of record, and are in condition for allowance and such action is earnestly solicited at the earliest possible date. If the Examiner believes that a telephone interview will help further the prosecution of this case, Applicant respectfully requests that the undersigned attorney be contacted at the listed telephone number.

Please direct all correspondence to **Myers, Dawes Andras & Sherman, LLP**,
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Respectfully submitted,

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